REMARKS

This amendment is submitted in response to the Final Office Action dated November 12, 2008. Reconsideration and allowance of the claims is requested.

All the claims currently pending in the case are rejected under 35 U.S.C. 103 as unpatentable over Dolan (U.S. 5,604,801) in view of Rothstein (Edward Rothstein (1997, January 20) "Making the Internet Come to You, Through 'Push' Technology" New York Times (Late Edition, East Coast) p. 5. Retrieved December 7, 2007 from Banking Information Source Database (Document ID: 10883254)), further in view of Benson (U.S. 6,334,118). This rejection is respectfully traversed.

The Applicant also wishes to make of record and thank the Examiner for the courtesy of an interview between the Applicant, the main inventor, Mr. Wang, and the Examiner, which is believed significantly clarified the issues in the present case.

In the course of that interview, the Examiner suggested that the claims should be edited so that the use of antecedent basis was consistent, and to establish that all the steps of a complete transaction were described. Therefore, the claims have been reviewed and edited so that the antecedent basis for all terms is in fact clear.

The claims have further been edited as requested by the Examiner, to describe a complete transaction characterized by the fact that the request for transaction approval is reviewed by the user of the PEAD, and the transaction is authorized using a private key stored in the PEAD and inaccessible to outside electronic systems. There is no transmission of the private key from the PEAD to any other server so that there is no possibility of it being captured by an unauthorized user. Rather, the private key is used to encrypt the transaction authorization, and the authorization is transmitted to the requesting party (a server or merchant or the like), where it can be decrypted using a public key previously established by the user and stored with the requesting party or at a storage unit accessible by the requesting party. In this way, only the authorizing person can authorize a transaction and there is no possibility of theft of the private key. All of these features clearly appear in the claims now submitted.

The Examiner primarily relies on Dolan as modified by Benson to reject these claims. However, as discussed at the interview, and it is respectfully submitted, was agreed between the inventor and the Examiner, Dolan's entire system depends on transmission of the key used to encrypt a transaction authorization. This teaching appears in multiple places in the Dolan patent. In contrast, Benson is relied on as teaching storage of a private key within a PEAD, without its transmission to a transaction system. This Benson is fundamentally inconsistent with

Dolan. Dolan requires the transmission of the private key to execute a transaction. Benson absolutely does not transmit the private key. Therefore, a person of skill in the art incorporating Benson with Dolan would end up with only an inoperable system incapable of authorizing a transaction. The Examiners rejection based on a hindsight reconstruction and recombination of the references provided in the teachings of the present application.

In view of these distinctions, reconsideration and allowance of the claims is requested.

Respectfully submitted,

James A. Sheridan
Registration No. 25,435
PATTERSON & SHERIDAN, L.L.P.
3040 Post Oak Blvd. Suite 1500
Houston, TX 77056
Telephone: (713) 623-4844
Facsimile: (713) 623-4846
Attorney for Applicant(s)